

RECORDATION NO. 23086-D FILED

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JAN 02 '02 4-13 PM
SURFACE TRANSPORTATION BOARD

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

January 2, 2002

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Partial Release of Security Interest, dated as of November 30, 2001, a primary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Security Agreement which was previously filed with the Board under Recordation Number 23086.

The names and addresses of the parties to the enclosed document are:

Lender:	Sky Bank 101 East Washington Street New Castle PA 16101
Debtor:	Kasgro Leasing, LLC 320 East Cherry Street New Castle PA 16102
Debtor:	Kasgro Rail Corporation 320 East Cherry Street New Castle PA 16102

Mr. Vernon A. Williams
January 2, 2002
Page 2

A description of the railroad equipment covered by the enclosed document
is:

Three (3) flatcars with LNAL reporting marks and numbered 370378,
370379 and 370399.

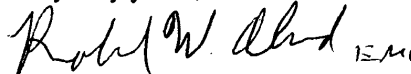
A short summary of the document to appear in the index is:

Partial Release of Security Interest.

Also enclosed is a check in the amount of \$28.00 payable to the order of
the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the
undersigned.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Robert W. Alvord". To the right of the signature, the letters "RWA" are handwritten in a smaller, more legible font.

Robert W. Alvord

RWA/anm
Enclosures

PARTIAL RELEASE OF SECURITY INTEREST

JAN 02 '02

4-13 PM

SURFACE TRANSPORTATION BOARD

THIS PARTIAL RELEASE OF SECURITY INTEREST ("Release") is dated as of NOVEMBER 30, 2001 by SKY BANK, an Ohio banking institution ("Sky") to and for the benefit of KASGRO RAIL CORP., a Pennsylvania corporation, and KASGRO LEASING, INC., a Pennsylvania limited liability company (collectively, the "Company").

RECITALS

Pursuant to the terms and provisions of a Security Agreement dated as of June 22, 2000 from the Company to Sky which has been recorded with the Surface Transportation Board as Recordation No. 23086, as amended by the Second Amendment To Security Agreement dated May 3, 2001 (collectively, "Security Agreement"), the Company has granted to Sky a security interest in certain rolling stock described therein, together with all leases and other rental agreements to which such rolling stock may be subject from time to time and all cash and non-cash proceeds thereof.

Sky has agreed to release its security interest in certain rolling stock of the Company described in the Security Agreement and is executing this Release in order to accomplish such release.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Sky agrees as follows:

1. **Release.** Sky hereby releases its security interest, whether such security interest is created under the terms of the Security Agreement or any other agreement, in the rail cars described on Schedule A attached hereto and made a part hereof, together with all additions, replacement parts, improvements and accessions, if any, thereto, all leases and other rental agreements to which such rolling stock may be subject from time to time, and all cash and non-cash proceeds thereof.

2. **Other Terms.** Except for the assets being released pursuant to the terms of this Release, all other assets presently subject to the terms and provisions of the Security Agreement continue to be so subject and Sky's security interest therein remains in full force and effect.

3. **Binding Effect.** This Release shall be binding upon and inure to the benefit of Sky and the Company and their respective successors and assigns.

IN WITNESS WHEREOF, Sky has executed this Release by its duly authorized officers as of the day and year first above written.

WITNESS/ATTEST:

SKY BANK, An Ohio Banking Institution



By:

 (SEAL)
Name: John D. Kline

Title: _____

NOTARY ACKNOWLEDGMENT

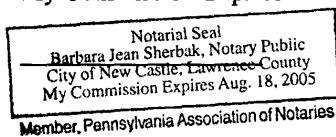
STATE OF PENNSYLVANIA, CITY/COUNTY OF NEW CASTLE/LAWRENCE, to wit:

I HEREBY CERTIFY, that on this 30th day of November, 2001, before me, the undersigned a Notary Public of the aforesaid State, personally appeared John D. Kline, who acknowledged ~~him~~ himself to be a ^{Senior} Vice President of SKY BANK, an Ohio banking institution and acknowledged that ~~xx~~ he, as such Senior Vice President, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of SKY BANK by ~~her~~ himself as its Senior Vice President.

IN WITNESS MY Hand and Notarial Seal.

 (SEAL)
NOTARY PUBLIC

My Commission Expires:



SCHEDULE A

CAR NUMBER	DESCRIPTION
370378	48' 370T 12 Axle Flat Car
370379	48' 370T 12 Axle Flat Car
370399	48' 370T 12 Axle Flat Car